

SEC. 642. SURVIVOR BENEFIT PLAN ANNUITIES FOR SURVIVING SPOUSES OF MEMBERS WHO DIE WHILE ON ACTIVE DUTY AND NOT ELIGIBLE FOR RETIREMENT.

(a) SURVIVING SPOUSE ANNUITY- Paragraph (1) of section 1448(d) of title 10, United States Code, is amended to read as follows:

`(1) SURVIVING SPOUSE ANNUITY- The Secretary concerned shall pay an annuity under this subchapter to the surviving spouse of--

`(A) a member who dies while on active duty after--

`(i) becoming eligible to receive retired pay;

`(ii) qualifying for retired pay except that the member has not applied for or been granted that pay; or

`(iii) completing 20 years of active service but before the member is eligible to retire as a commissioned officer because the member has not completed 10 years of active commissioned service; or

`(B) a member not described in subparagraph (A) who dies in line of duty while on active duty.'

(b) COMPUTATION OF ANNUITY- Section 1451(c)(1) of such title is amended--

(1) in subparagraph (A)--

(A) by striking `based upon his years of active service when he died.' and inserting `when he died determined as follows:

`(i) In the case of an annuity provided under section 1448(d) of this title (other than in a case covered by clause (ii)), such retired pay shall be computed as if the member had been retired under section 1201 of this title on the date of the member's death with a disability rated as total.

`(ii) In the case of an annuity provided under section 1448(d)(1)(A) of this title by reason of the death of a member not in line of duty, such retired pay shall be computed based upon the member's years of active service when he died.

`(iii) In the case of an annuity provided under section 1448(f) of this title, such retired pay shall be computed based upon the member or former member's years of active service when he died computed under section 12733 of this title.'; and

(2) in subparagraph (B)(i), by striking `if the member or former member' and all that follows and inserting `as determined under subparagraph (A).'

(c) CONFORMING AMENDMENTS- (1) The heading for subsection (d) of section 1448 of such title is amended by striking `RETIREMENT-ELIGIBLE'.

(2) Subsection (c)(3) of section 1451 of such title is amended by striking `1448(d)(1)(B) or 1448(d)(1)(C)' and inserting `clause (ii) or (iii) of section 1448(d)(1)(A)'.

(d) EFFECTIVE DATE- The amendments made by this section shall take effect as of September 10, 2001, and shall apply with respect to deaths of members of the Armed Forces occurring on or after that date.